

Up to \$4500 Offered for New Car Purchase

Individuals who hope to buy a new car within the next year are one-step closer to receiving vouchers worth up to \$4500 towards the purchase through the recently proposed Cash for Clunkers program, said Congresswoman Debbie Halvorson (IL-11). Halvorson, who fully supported the bi-partisan measure, saw it passed by the House of Representatives 298-119 this week.

The program, also known as CARS (Consumer Assistance to Recycle and Save) Act (H.R. 2460), offers consumers the opportunity to receive the vouchers by trading in old, gas guzzling vehicles to help pay for new, more fuel efficient cars and trucks.

"At a time when the American auto industry is plagued with financial issues, bankruptcy and the dealership closings, this program will help stimulate new auto purchases while giving a boost to our ailing automakers," said Halvorson, adding that by utilizing the program, meaningful reductions in fuel consumption and greenhouse gas emissions will occur as well.

The bill has been sent to the Senate and not only has seen support from both sides of the aisle, but it's also received overwhelming backing from unions, car dealers and business groups, including the Chamber of Commerce. The Cash for Clunkers program is scheduled to begin July 1, 2009 and will be available to consumers for one year. It is estimated that it will spur the sales of up to 1 million more fuel efficient cars and trucks and save over 250 million gallons of gas.

"And it will help to create jobs and provide a substantial savings to our families who wish to purchase a new car," added Halvorson. "It is definitely a win-win situation."

The agreement divides these new cars and trucks into four categories. Miles per gallon figures

below refer to EPA "window sticker" values.

- **Passenger Cars:** The old vehicle must get 18 mpg or less. New passenger cars with mileage of at least 22 mpg are eligible for vouchers. If the mileage of the new car is at least 4 mpg higher than the old vehicle, the voucher will be worth \$3,500. If the mileage of the new car is at least 10 mpg higher than the old vehicle, the voucher will be worth \$4,500.

- **Light-Duty Trucks:** The old vehicle must get 18 mpg or less. New light trucks or SUVs with mileage of at least 18 mpg are eligible for vouchers. If the mileage of the new truck or SUV is at least 2 mpg higher than the old truck, the voucher will be worth \$3,500. If the mileage of the new truck or SUV is at least 5 mpg higher than the old truck, the voucher will be worth \$4,500.

- **Large Light-Duty Trucks:** New large trucks (pick-up trucks and vans weighing between 6,000 and 8,500 pounds) with mileage of at least 15 mpg are eligible for vouchers. If the mileage of the new truck is at least 1 mpg higher than the old truck, the voucher will be worth \$3,500. If the mileage of the new truck is at least 2 mpg higher than the old truck, the voucher will be worth \$4,500.

- **Work Trucks:** Under the agreement, consumers can trade in a pre-2002 work truck (defined as a pick-up truck or cargo van weighing from 8,500-10,000 pounds) and receive a voucher worth \$3,500 for a new work truck in the same or smaller weight class. There will be a finite number of these vouchers, based on this vehicle class's market share. There are no EPA mileage measures for these trucks; however, because newer models are cleaner than older models, the age requirement ensures that the trade will improve environmental quality. Consumers can also "trade down," receiving a \$3,500 voucher for trading in an older work truck and purchasing a smaller light-duty truck weighing from 6,000 - 8,500 pounds.

For more information on HR 2460 (Cash for Clunkers program), contact Congresswoman Halvorson's office in Washington D.C. at 202-225-3635 or go to www.cars.gov .